

Testimony of Mr. Jonathan Gengras

Of West Hartford Connecticut

Before the Joint Standing Committee on Transportation

House Bill No. 5055 An Act Concerning Wait Times At the Department of Motor Vehicles

Monday, February 20th 2016

Good Morning Senator Maynard, Representative Guerrera, Senator Boucher, Representative O'Dea My name is Jonathan Gengras . I am the CFO of Gengras Motor Cars with 9 franchised dealerships located in East Hartford and Meriden Connecticut and West Springfield, Massachusetts. I am also a member of the Connecticut Automotive Retailers Association (CARA) which represents 270 new car dealers in this state and the 14,000 employees who work in our dealerships. I am here to testify in favor of Governor Malloy's bill 5055 An Act Decreasing Wait Times at the Department of Motor Vehicles.

Sections 7 and 8 of this bill are specific to a very serious regulatory burden that is imposed on dealers and DMV employees, essentially making them responsible to collect delinquent local property taxes. This mandate restricts our ability to sell and register some of the \$10 billion dollars' worth of cars that we sell each year.

Consequently it also forces both dealers and members of the general public to stand in line at DMV branches further compounding the long wait times that are already being experienced at the branch window. DMV estimates that nearly two-thirds of those standing in in line are doing so because of this issue.

Several years ago DMV made the decision, because of the changes to the online system, to restrict the ability of dealerships to issue temporary registrations to customers who had an issue with payment of local property taxes. The new CIVILS on line system now automatically stops a dealer from proceeding with the registration process if a tax issue occurs. I think that people should pay their taxes. But sometimes, for a variety of reasons, this does not happen. Regardless of the reason, dealers are not tax collectors and we should not be put in the position of accessing a person's information about delinquent taxes and enforcing

the collection of those delinquent taxes. No other retailer in this state is saddled with this type of burden, which at times can become confrontational and dangerous for dealership employees. Dealers now must step into the role of municipal tax collectors and tell customers that they owe taxes to the town and that before driving the car off the lot they must go to town hall and resolve the issues. I think that you can imagine that oftentimes customers are surprised and frequently quite angry with the dealer for delivering the bad news. We are NOT tax collectors. The Governor's bill resolves this matter fairly.

One of the biggest reasons people are going to DMV with these issues is that even after they have paid the taxes the municipal officials are not clearing the delinquency pursuant to state law. Section 14-33a which this bill repeals says in part that the tax collector shall immediately clear the delinquency. CARA surveyed its 270 dealers and found that based on customers returning to just our dealers 15 municipalities, some of which are the largest in our state are chronically late in clearing delinquencies in some cases waiting two (2) weeks or more. DMV is powerless to force the town to do this under the existing statutes.

Our customers have returned to the dealership after paying their taxes and informed us that when they asked the town to clear the tax immediately they were told:

- "Too bad- you should have paid on time"
- "We are busy, we will clear it when we get to it"
- "Sorry we only do this once per Week"

I suspect the private sale customer waiting in the DMV lines are telling the employees at the DMV counter the same stories.

How do you fix this? Repeal the law that requires DMV and Dealers to enforce local property tax issues.

I urge you to pass this bill.

Thank you for attention to my testimony. I'm happy to answer any questions.